NAME: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Ch. 7: CREDIT CARDS

Directions:

* Go to [www.creditcards.com](http://www.creditcards.com)
* On the left-hand side, scroll down to and click on the link titled “Credit Card Help”
* Scroll down, and on the bottom right click on “credit card terms & glossary”
* Click on “Credit card glossary terms to know for first time card users”
* Define the following terms by clicking on them and then copying down the important information:

**GLOSSARY TERMS:**

Annual Fee-

APR-

Credit line-

Finance charge-

Minimum payment-

Terms and conditions-

Directions:

* Go back to the “credit card help” section (on the left side of the page, scroll down, click on the link)
* On the right side of the page, click on the link that says “7 things you must know about credit cards.”
* Answer the following questions:

1. List the 7 things you must know (the bold phrases). Make sure you understand what each of these phrases mean!

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1. Define credit history (you can click on the words in the article to get the definition, then click the BACK button to get back to the article):
2. Define credit score:

Directions:

* Go back to the “credit card help” section (on the left side of the page, scroll down, click on the link)
* On the right side of the page, click on the link that says “10 credit card mistakes you should never make.”
* Answer the following questions:

1. List the 10 mistakes you should never make:

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1. Define introductory rate:
2. Define credit limit:
3. Define over the limit charges:

Directions:

* Go back to the “credit card help” section (on the left side of the page, scroll down, click on the link)
* On the right side of the page, click on the link that says “6 things to remember when picking a credit card.”
* Answer the following questions:

1. List the 6 things you must remember:

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Directions:

* Go back to the “credit card help” section (on the left side of the page, scroll down, click on the link)
* On the right side of the page, click on the link that says “10 things to know about credit scores.”
* Skim through the article
* Go back to the “credit card help” section (on the left side of the page, scroll down, click on the link)
* Click on the credit reports quiz, and take the quiz
* Have your teacher sign below when you get 100% (score of 20)

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Signature

Directions:

* Go back to the main page ([www.creditcards.com](http://www.creditcards.com) ). You will now look up credit cards.
* Click on the link for “cash back credit cards” in the center of the page
* Scroll through the rewards cards and select 2 that you think are good for you (meaning you like what you are getting cash back for). Fill out the table below for those cards.

|  |  |
| --- | --- |
| Card name: |  |
| type of card: | VISA MASTERCARD DISCOVER AM.EX |
| What do you get cash back for? |  |
| Intro APR: |  |
| Intro APR period: |  |
| Regular APR: |  |
| type of credit needed: |  |
|  |  |
| Card name: |  |
| type of card: | VISA MASTERCARD DISCOVER AM.EX |
| What do you get cash back for? |  |
| Intro APR: |  |
| Intro APR period: |  |
| Regular APR: |  |
| type of credit needed: |  |

Directions:

* On the left-hand side of the page, click on the link for “student credit cards” in the center of the page
* Scroll through the rewards cards and select 2 that you think are good for you. Fill out the table below for those cards. (do not use pre-paid and debit cards)

|  |  |
| --- | --- |
| Card name: |  |
| type of card: | VISA MASTERCARD DISCOVER AM.EX |
| What are the features? |  |
| Intro APR: |  |
| Intro APR period: |  |
| Regular APR: |  |
| type of credit needed: |  |
|  |  |
| Card name: |  |
| type of card: | VISA MASTERCARD DISCOVER AM.EX |
| What are the features? |  |
| Intro APR: |  |
| Intro APR period: |  |
| Regular APR: |  |
| type of credit needed: |  |

Directions:

* On the left side of the page, scroll down and click on “Credit Score estimator”
* Answer the questions, and find your credit score!
* Write your score and type of credit below:

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Directions:

* On the left side of the page, scroll down and click on “Credit Card Calculators”
* Under “Minimum Payment Calculator” click on the red START HERE button
* This will help show you what happens if you decide to charge a lot and then only pay the minimum payment
* Input $1000 as the balance. Leave all other things on the page alone
* Click the CALCULATE button
* How long will it take you to pay off the $1000 that you charged if all you pay is minimum payments?
* How much will you pay in interest over that time?
* Go back to the INPUT tab. Change the interest rate to 22% (this is normal for many cards). Hit CALCULATE again.
* How long will it take you to pay off the $1000 that you charged if all you pay is minimum payments?
* How much will you pay in interest over that time?